

Godrej Landmark Redevelopers Private Limited

Balance Sheet

as at March 31, 2020

(Currency in INR Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	2.54	2.72
Intangible Assets	3	1.00	1.51
Deferred Tax Assets (Net)	4	-	219.59
Income Tax Assets (Net)		<u>611.99</u>	<u>567.55</u>
Total Non-Current Assets		<u>615.53</u>	<u>791.37</u>
Current Assets			
Inventories	5	3,301.56	12,692.95
Financial Assets			
Investments	6	6,286.60	5,748.07
Trade Receivables	7	937.82	680.13
Cash and Cash Equivalents	8	5,772.88	1,891.38
Bank Balances other than above	9	63.36	50.00
Other Current Financial Assets	10	223.76	347.05
Other Current Non Financial Assets	11	<u>2,160.80</u>	<u>3,751.15</u>
Total Current Assets		<u>18,746.78</u>	<u>25,160.73</u>
TOTAL ASSETS		<u>19,362.31</u>	<u>25,952.10</u>
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	5.00	5.00
Other Equity		<u>10,831.16</u>	<u>9,852.07</u>
Total Equity		<u>10,836.16</u>	<u>9,857.07</u>
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	<u>30.23</u>	-
Total Non-Current Liabilities		<u>30.23</u>	<u>-</u>
Current Liabilities			
Financial Liabilities			
Borrowings	13	-	3,359.38
Trade Payables			
total outstanding dues of micro enterprises and small enterprises		177.99	199.89
total outstanding dues of creditors other than micro enterprises and small enterprises		5,216.09	1,236.76
Other Current Financial Liabilities	14	986.25	121.20
Other Current Non Financial Liabilities	15	589.10	10,452.54
Provisions	16	1,131.82	321.91
Current Tax Liabilities (Net)		<u>394.67</u>	<u>403.35</u>
Total Current Liabilities		<u>8,495.92</u>	<u>16,095.03</u>
TOTAL EQUITY AND LIABILITIES		<u>19,362.31</u>	<u>25,952.10</u>

Significant Accounting Policies

1

The accompanying notes 1 to 35 form an integral part of these Financial Statements.

As per our report of even date.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Godrej Landmark Redevelopers Private Limited
CIN: U70102MH2012PTC228114

MANSI PARDIWALLA
Partner
Membership No: 108511

AMITESH SHAH
Director
DIN: 07921460

AMIT CHOUDHARY
Director
DIN: 00557547

Mumbai
May 8, 2020

Mumbai
May 8, 2020

Godrej Landmark Redevelopers Private Limited

Statement of Profit and Loss

for the year ended March 31, 2020

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from Operations	17	18,371.94	93,006.97
Other Income	18	408.42	113.51
Total Income		18,780.36	93,120.48
EXPENSES			
Cost of Materials Consumed	19	6,952.51	9,122.43
Change in inventories of construction work-in-progress and finished goods	20	9,391.39	67,393.65
Finance Costs	21	12.65	263.33
Depreciation and Amortisation Expense	22	1.80	1.91
Other Expenses	23	1,056.90	1,695.66
Total Expenses		17,415.25	78,476.98
Profit before Tax		1,365.11	14,643.50
Tax Expense			
Current Tax	4(b)	136.20	(4.05)
Deferred Tax Charge	4(a)	249.82	5,163.44
Total Tax Expense		386.02	5,159.39
Profit for the Year		979.09	9,484.11
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		979.09	9,484.11
Earnings Per Share (Amount in INR)			
Basic and Diluted	24	1,958.18	18,968.23

Significant Accounting Policies

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Godrej Landmark Redevelopers Private Limited

Statement of Changes in Equity
for the year ended March 31, 2020

(Currency in INR Lakhs)

a) Equity Share Capital

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	5.00	5.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>5.00</u>	<u>5.00</u>

b) Other Equity

Particulars	Reserve and Surplus		Total
	Debenture Redemption Reserve (refer Note (a) below)	Retained Earnings (refer Note (b) below)	
Balance as at April 01, 2018	741.84	(373.88)	367.96
Total Comprehensive Income:			
i) Profit for the year	-	9,484.11	9,484.11
Balance as at March 31, 2019	<u>741.84</u>	<u>9,110.23</u>	<u>9,852.07</u>

Particulars	Reserve and Surplus		Total
	Debenture Redemption Reserve (refer Note (a) below)	Retained Earnings (refer Note (b) below)	
Balances as at April 01, 2019	741.84	9,110.23	9,852.07
Total Comprehensive Income:			
i) Profit for the year	-	979.09	979.09
Adjustments:			
i) Transfer from Debenture Redemption Reserve to Retained Earnings.	(741.84)	741.84	-
Balance as at March 31, 2020	<u>-</u>	<u>10,831.16</u>	<u>10,831.16</u>

(a) Debenture Redemption Reserve

The Company had issued Cumulative Optionally Convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), required the Company to create Debenture Redemption Reserve out of profits of the Company available for payment of dividend. The amounts lying in the Debenture Redemption Reserve were transferred to Retained Earnings in the current financial year, consequent to redemption of debentures during the year.

(b) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

The accompanying notes 1 to 35 form an integral part of these Financial Statements.

As per our report of even date.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Godrej Landmark Redevelopers Private Limited
CIN: U70102MH2012PTC228114

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Godrej Landmark Redevelopers Private Limited

Statement of Cash Flows

for the year ended March 31, 2020

(Currency in INR Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash Flow from Operating Activities		
Profit before Tax	1,365.11	14,643.50
Adjustments for:		
Depreciation and amortisation expense	1.80	1.91
Finance costs	12.65	448.37
Profit on Sale of Property, Plant and Equipment	-	(0.02)
Interest income	(203.52)	(6.45)
Income from Investment measured at FVTPL	(128.23)	(10.97)
Profit on sale of investments	(76.67)	(96.07)
Operating profit before working capital changes	971.14	14,980.27
Changes in Working Capital:		
(Decrease) in Non Financial Liabilities	(9,053.53)	(62,845.04)
Increase / (Decrease) in Financial Liabilities	4,888.20	(1,393.84)
Decrease in Inventories	9,325.68	53,384.22
Decrease / (Increase) in Non Financial Assets	1,590.35	(119.51)
(Increase) in Financial Assets	(114.90)	(763.93)
Taxes Paid (net)	(189.32)	(111.10)
Net cash flows generated from operating activities	7,417.62	3,131.07
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment	(1.11)	(1.07)
Proceeds from sale of property, plant and equipment	-	0.04
Purchase of mutual funds (net)	(333.63)	(4,431.73)
(Purchase) / Sale of investments in fixed deposits (net)	(13.36)	2,339.64
Interest Received	184.02	88.80
Net cash flows (used in) investing activities	(164.08)	(2,004.32)
Cash Flow from financing activities		
(Repayment of) from short-term borrowings (net)	(2,967.34)	-
Interest paid	(404.70)	(249.79)
Net cash flows (used in) financing activities	(3,372.04)	(249.79)
Net Increase in Cash and Cash Equivalents	3,881.50	876.96
Cash and Cash Equivalents - Opening Balance	1,891.38	1,014.42
Cash and Cash Equivalents - Closing Balance (refer note 34)	5,772.88	1,891.38

Godrej Landmark Redevelopers Private Limited

Statement of Cash Flows (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

Notes :

(a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows".

(b) Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows.

Cash and Cash Equivalents as per the above comprise of the following:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and Cash Equivalents (refer Note 8)	5,772.88	1,891.38
Cash and Cash Equivalents as per Statement of Cash Flows	5,772.88	1,891.38

(c) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities

Particular	As at April 01, 2019	Changes in Statement of Cash Flows	Non Cash Changes		As at March 31, 2020
			Interest accrued	Fair Value Changes	
Short-term borrowings	3,359.38	(2,967.34)	(392.04)	-	-

Reconciliation of liabilities arising from financing activities

Particular	As at April 01, 2018	Changes in Statement of Cash Flows	Non Cash Changes (Including interest accrued)		As at March 31, 2019
Short-term borrowings	3,212.44	(120.12)	267.06		3,359.38

(d) The above Statement of Cash Flows include INR Nil (Previous Year: INR 59.20 lakhs) towards Corporate Social Responsibility (CSR) activities (refer Note 31).

The accompanying notes 1 to 35 form an integral part of these Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Landmark Redevelopers Private Limited

CIN: U70102MH2012PTC228114

MANSI PARDIWALLA

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Mumbai

May 8, 2020

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DIN: 07921460

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May 8, 2020

AMIT CHOUDHARY

Director

DIN: 00557547

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1

I. Company Overview

Godrej Landmark Redevelopers Private Limited (“the Company”) having CIN number U70102MH2012PTC228114 is engaged primarily in the business of real estate construction, development and other related activities. The Company is domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshahnagar, Eastern Express Highway, Vikhroli, Mumbai - 400079.

II. Basis of preparation and measurement

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the Act”) and the relevant provisions and amendments, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments measured at fair value.

The financial statements of the Company for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on May 8, 2020.

a) Operating cycle

All assets and liabilities have been classified into current and non-current based on Company’s normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date.

b) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakh, unless otherwise stated.

c) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

II. Basis of preparation and measurement *(Continued)*

c) Use of Estimates and Judgements *(Continued)*

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- *Evaluation of satisfaction of performance obligation for the purpose of revenue recognition*

Determination of revenue under the satisfaction of performance obligation method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.

- *Evaluation of Net realisable Value of Inventories*

Inventories comprising of construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the financial statements for the period in which such changes are determined.

- *Useful life and residual value of property, plant and equipment and intangible assets*

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised

The estimation of residual values of assets is based on management's judgement about the condition of such asset at the point of sale of asset.

- *Fair value measurement of financial instruments*

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these inputs could affect the fair value of financial instruments.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

II. Basis of preparation and measurement (*Continued*)

c) Use of Estimates and Judgements (*Continued*)

- *Provisions and contingencies*

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

d) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies

a) Property, plant and equipment and depreciation

i) *Recognition and Measurement:*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised from the financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment recognised in the statement of profit and loss in the year of occurrence.

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

ii) *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) *Depreciation*

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment of the Company has been provided using the written down value method based on the useful lives specified in Schedule II of the Act.

Assets costing less than INR 5,000 are depreciated at 100% in the year of acquisition.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

b) Intangible assets and amortisation

i) *Recognition and measurement:*

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) *Amortisation*

Intangible assets are amortised over their estimated useful life using straight line method.

Intangible assets are amortised over a period of six years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c) Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised for such excess amount. The impairment loss is recognised as an expense in the statement of profit and loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss. In case of revalued assets, such reversal is not recognised.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

d) Foreign currency transactions

Transactions in foreign currencies are translated into the Company's functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the statement of profit and loss in the period in which they arise.

e) Financial instruments

1. Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they originate.

The Company recognises financial assets (other than trade receivables and debt securities) when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through profit or loss
- Equity investments

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

e) Financial instruments *(Continued)*

I. Financial assets *(Continued)*

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instruments at Fair Value through Profit or Loss

Debt instruments included in the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity investments

All equity investments other than investment in subsidiaries, joint ventures and associate are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

e) Financial instruments *(Continued)*

I. Financial assets *(Continued)*

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when:

- (a) The rights to receive cash flows from the asset have expired, or
- (b) the Company has transferred substantially all the risks and rewards of the asset, or
- (c) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. debt securities, deposits, and bank balance.
- b) Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

e) Financial instruments (*Continued*)

II. Financial Liabilities (*Continued*)

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

III. Share Capital

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

f) Inventories

Inventories are valued as under:

- a) Finished Goods – At Lower of Cost and Net realisable value.
- b) Construction Work-in-Progress - At Lower of Cost and Net realisable value.

Construction Work-in-Progress/Finished Goods includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the LLP.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The inventory of construction work-in-progress is not written down below cost if flats /properties are expected to be sold at or above cost.

g) Revenue Recognition

The Company derives revenues primarily from sale of properties comprising of both commercial and residential units.

The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time and subsequently over time when the Company has enforceable right for payment for performance completed to date. Subsequently the Company records revenue over time till the possession to the customers. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in Ind AS 115, on “Revenue from contracts with customers”, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

g) Revenue Recognition *(Continued)*

Interest Income

Interest income is accounted on an accrual basis at effective interest rate.

Interest on delayed payment and forfeiture income are accounted based upon underlying agreements with customers.

h) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

h) Income tax (*Continued*)

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Section 115BAA of Income Tax Act, 1961

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section.

i) Borrowing Costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work-in-progress, as part of the cost of the projects till the time all the activities necessary to prepare these projects for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the year which they are incurred.

j) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash, cheques in hand and short-term deposits, as defined above.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

k) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. If potential equity shares converted into equity shares increases the earnings per share, then they are treated as anti-dilutive and anti-dilutive earning per share is computed.

l) Provisions and contingent liabilities

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. The unwinding of the discount is recognised as finance cost

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for

- (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the standalone financial statements. However, the same are disclosed in the standalone financial statements where an inflow of economic benefit is probable.

m) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/ AMORTISATION			NET BLOCK			
	As At April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Tangible Assets										
Office Equipments	3.18	0.97	-	4.15	2.18	0.74	-	2.92	1.23	1.00
Furniture and Fixtures	3.39	-	-	3.39	2.14	0.32	-	2.46	0.93	1.25
Computers	4.81	0.14	-	4.95	4.34	0.23	-	4.57	0.38	0.47
Total Property, Plant and Equipment	11.38	1.11	-	12.49	8.66	1.29	-	9.95	2.54	2.72

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/ AMORTISATION			NET BLOCK			
	As At April 01, 2018	Additions during the year	Deductions during the year	As At March 31, 2019	As at April 01, 2018	For the Year	Deductions	As at March 31, 2019	As At March 31, 2019	As At March 31, 2018
Tangible Assets										
Office Equipments	2.11	1.07	-	3.18	1.77	0.41	-	2.18	1.00	0.34
Furniture and Fixtures	3.39	-	-	3.39	1.71	0.43	-	2.14	1.25	1.68
Computers	5.25	-	0.44	4.81	4.20	0.56	0.42	4.34	0.47	1.05
Total Property, Plant and Equipment	10.75	1.07	0.44	11.38	7.68	1.40	0.42	8.66	2.72	3.07

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

3 Intangible Assets

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			NET BLOCK			
	As At April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Licenses and Software	2.98	-	-	2.98	1.47	0.51	-	1.98	1.00	1.51
Total Intangible Assets	2.98	-	-	2.98	1.47	0.51	-	1.98	1.00	1.51

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			NET BLOCK			
	As At April 01, 2018	Additions during the year	Deductions during the year	As At March 31, 2019	As at April 01, 2018	For the Year	Deductions	As at March 31, 2019	As At March 31, 2019	As At March 31, 2018
Licenses and Software	2.98	-	-	2.98	0.96	0.51	-	1.47	1.51	2.02
Total Intangible Assets	2.98	-	-	2.98	0.96	0.51	-	1.47	1.51	2.02

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

4 Deferred Tax Assets and Tax Expense**a) Amounts recognised in the statement of profit and loss**

Particulars	March 31, 2020	March 31, 2019
Current Tax	136.20	(4.05)
Current Tax	136.20	-
Tax Adjustment of Prior Years	-	(4.05)
Deferred Tax Charge	249.82	5,163.44
Deferred Tax		
Origination and reversal of temporary difference	294.15	5,189.30
Reduction in tax rate	(44.33)	(25.86)
Tax Expense for the year	386.02	5,159.39

b) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2019	Movement during the year Recognised in Profit or Loss	Balance as at March 31, 2020
Deferred Tax Assets/ (Liabilities)			
Property, Plant and Equipment	0.42	0.10	0.52
Brought Forward Loss	221.77	(221.47)	0.30
Mutual Funds	(2.60)	(28.45)	(31.05)
Deferred Tax Assets/ (Liabilities)	219.59	(249.82)	(30.23)

Particulars	Balance as at April 01, 2018	Movement during the year Recognised in Profit or Loss	Balance as at March 31, 2019
Deferred Tax Assets/ (Liabilities)			
Property, Plant and Equipment	0.38	0.04	0.42
Brought Forward Loss	5,382.20	(5,160.43)	221.77
Mutual funds	0.45	(3.05)	(2.60)
Deferred Tax Assets/ (Liabilities)	5,383.03	(5,163.44)	219.59

c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2020	March 31, 2019
Profit before Tax	1,365.11	14,643.50
Tax using the Company's domestic tax rate 25.168% (Previous Year: 34.944%)	343.57	5,117.03
Tax effect of:		
Non-deductible expenses	(1.87)	18.12
Rate difference	44.33	25.86
Adjustment for tax of prior years	-	(4.05)
Other adjustments	-	2.43
Tax expense recognised	386.02	5,159.39

- d) The Company had recognised deferred tax asset in the previous year to the extent that the same would be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The business losses can be carried forward for a period of 8 years as per the tax regulations and the Company expects to recover the losses.
- e) A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section and accordingly, the Company has decided to adopt the new tax rate has recognised provision for income tax on the basis of the rate prescribed in the said new section and re-measured its deferred tax assets/liabilities accordingly for the year ended March 31, 2020.
- f) On 30th March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments during the current financial year.

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
5 Inventories (Valued at lower of Cost and Net Realisable Value)		
Finished Goods (refer Note 20)	2,403.13	-
Construction Work in Progress (refer Note 20)	898.43	12,692.95
	<u>3,301.56</u>	<u>12,692.95</u>
6 Investments		
Unquoted		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	6,286.60	5,748.07
	<u>6,286.60</u>	<u>5,748.07</u>
Market Value of unquoted Investments		
Aggregate book value of unquoted Investments and Market Value thereof	6,286.60	5,748.07
7 Trade Receivables		
<i>To parties other than related parties</i>		
Unsecured, Considered Good	937.82	680.13
	<u>937.82</u>	<u>680.13</u>
8 Cash and Cash Equivalents		
Balances With Banks		
In Current Accounts	553.02	1,220.38
In Fixed Deposit Accounts with maturity less than 3 months	5,100.10	671.00
Cheques On Hand	119.76	-
	<u>5,772.88</u>	<u>1,891.38</u>
9 Bank Balances other than above		
Balances With Banks		
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (refer note (a) below)	63.36	50.00
	<u>63.36</u>	<u>50.00</u>
(a) Includes Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR Nil (Previous Year: INR 50 lakhs)		
10 Other Current Financial Assets		
Unsecured, Considered Good		
<i>To parties other than related parties</i>		
Deposits - Others (includes telephone deposit)	0.02	18.73
Interest Accrued on Fixed Deposits	26.49	6.99
Others (includes expense recoverable)	197.25	321.33
	<u>223.76</u>	<u>347.05</u>
11 Other Current Non Financial Assets		
Unsecured, Considered Good		
<i>To parties other than related parties</i>		
Unbilled Revenue	1,158.39	1,766.57
Balances with Government Authorities	848.79	1,396.13
Advance to Suppliers and Contractors	139.12	355.20
Others (includes deferred brokerage and deferred stamp duty)	14.50	233.25
	<u>2,160.80</u>	<u>3,751.15</u>

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
12 Equity Share Capital		
a) Authorised :		
50,000 Equity Shares of INR 10/- each (Previous Year : 50,000 Equity Shares of INR 10/- each)	5.00	5.00
	<u>5.00</u>	<u>5.00</u>
b) Issued, Subscribed and Paid-Up:		
50,000 Equity Shares of INR 10/- each (Previous Year : 50,000 Equity Shares of INR 10/- each) fully paid up	5.00	5.00
	<u>5.00</u>	<u>5.00</u>

c) Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity Shares :	March 31, 2020		March 31, 2019	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	5.00	50,000	5.00

d) Shareholding Information

Equity shares are held by :	March 31, 2020		March 31, 2019	
	No. of Shares	INR (in Lakhs)	No. of Shares	INR (in Lakhs)
Godrej Projects Development Limited (Holding Company)	49,999	5.00	49,999	5.00
Godrej Skyview LLP	1	0.00	1	0.00

e) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

f) Shareholders holding more than 5% shares in the Company:

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
Equity shares				
Godrej Projects Development Limited (Holding Company)	49,999	100.00%	49,999	100.00%

g) Shares reserved for Optionally Convertible Debentures:

For 10% Secured Cumulative Optionally Convertible Debentures : Class A 10% Secured Cumulative Optionally Convertible Debentures allotted 1,513,328 number of INR 100/- each and Class B 10% Secured Cumulative Optionally Convertible Debentures allotted 1,454,016 number of INR 100/- were to be converted into equity shares at fair value determined as on conversion date.

13 Borrowings (Current)

Particulars	March 31, 2020	March 31, 2019
Secured Debentures (Refer note (a), (b) and (c) below)		
Nil (Previous Year :1,513,328 Class A 10% Secured Cumulative Optionally Convertible Debentures of INR 100/- each.)	-	1,713.28
Nil (Previous Year :1,454,016 Class B 10% Secured Cumulative Optionally Convertible Debentures of INR 100/- each.)	-	1,646.10
	<u>-</u>	<u>3,359.38</u>

(a) Pursuant to the terms of Debentures provided in Schedule 6 of the Share Purchase, Subscription and Shareholders Agreement dated March 31, 2012, the Optionally Convertible Debentures were redeemed on April 16, 2019.

(b) The Debentures were redeemable on the basis of remainder amounts as defined in the Share Purchase Subscription and Shareholders Agreement dated March 31, 2012, after the completion of the project. The interest was accrued on annual basis.

(c) Both Classes of Debentures were Secured by way of Second Mortgage/Charge on Development Rights of the Company.

14 Other Current Financial Liabilities

Other liabilities (includes payable for development projects, other receipts from customers, etc.)	986.25	121.20
	<u>986.25</u>	<u>121.20</u>

15 Other Current Non Financial Liabilities

<i>To parties other than related parties</i>		
Statutory Dues (includes TDS and GST)	153.53	372.86
Advances Received Against Sale of Flats	435.57	10,079.68
	<u>589.10</u>	<u>10,452.54</u>

16 Provisions (Current)

Provision for Tax Dues (refer note (a) below)	1,131.82	321.91
	<u>1,131.82</u>	<u>321.91</u>

(a) Provision for tax dues. (Utilised: INR Nil (Previous Year: INR Nil) and Accrued INR 809.91 lakhs (Previous Year: INR Nil))

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
17 Revenue from Operations		
Sale of Real Estate Developments	18,351.24	92,834.46
Other Operating Revenues		
Other Income from Customers	20.70	172.51
	<u>18,371.94</u>	<u>93,006.97</u>
18 Other Income		
Interest Income	203.52	6.45
Profit on Sale of Property, Plant and Equipment	-	0.02
Income from Investment measured at FVTPL	128.23	10.97
Profit on Sale of Investments	76.67	96.07
	<u>408.42</u>	<u>113.51</u>
19 Cost of Materials Consumed		
Land/ Development Right	(933.62)	196.81
Construction, Material and Labour	7,223.02	3,094.69
Architect Fees	39.57	5.50
Other Costs	520.82	1,422.89
Finance Costs	102.72	4,402.54
	<u>6,952.51</u>	<u>9,122.43</u>
20 Change in inventories of construction work-in-progress and finished goods		
Inventories at the beginning of the year		
Construction Work-in-Progress	12,692.95	80,086.60
	<u>12,692.95</u>	<u>80,086.60</u>
Inventories at the end of the year		
Finished Goods	2,403.13	-
Construction Work-in-Progress	898.43	12,692.95
	<u>3,301.56</u>	<u>12,692.95</u>
	<u>9,391.39</u>	<u>67,393.65</u>
21 Finance Costs		
Interest Expense	114.92	4,665.87
Interest on Income Tax	0.45	-
Total Interest Expense	<u>115.37</u>	<u>4,665.87</u>
Total Finance Costs	115.37	4,665.87
Less : Transferred to construction work-in-progress	(102.72)	(4,402.54)
Net Finance Costs	<u>12.65</u>	<u>263.33</u>
22 Depreciation and Amortisation Expense		
Depreciation on Property, Plant and Equipment	1.29	1.40
Amortisation of Intangible Assets	0.51	0.51
	<u>1.80</u>	<u>1.91</u>
23 Other Expenses		
Consultancy Charges	63.20	9.28
CSR Expenses (Refer Note 31)	-	65.14
Advertisement and Marketing Expense	702.45	1,558.78
Other Expenses *	291.25	62.46
	<u>1,056.90</u>	<u>1,695.66</u>

* includes payment to auditors amounting to INR 4.13 Lakhs (Previous year :INR 0.07 Lakhs) (refer note 30)

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

24 Earnings Per Share

a) Basic and Diluted Earnings Per Share

The calculation of basic and diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

	March 31, 2020	March 31, 2019
(i) Profit attributable to ordinary shareholders (basic and diluted)		
Profit for the Year, attributable to ordinary shareholders of the Company	979.09	9,484.11
	<u>979.09</u>	<u>9,484.11</u>
(ii) Weighted average number of ordinary shares (basic and diluted)		
Weighted Average number of equity shares at the beginning and end of the year	50,000	50,000
	<u>50,000</u>	<u>50,000</u>
Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each) (Previous year: INR 10 each)	1,958.18	18,968.23

b) Diluted Earnings Per Share

The Optionally Convertible Debentures were to be converted into equity shares after the completion of the project based on the Fair value of the shares computed as on the date of conversion and other terms and conditions of the shareholders agreement. In view of the same, the dilutive shares could not be computed as the conversion ratio was not available as at the balance sheet date. The debentures have been redeemed on April 16, 2019. Thus, no potential equity shares exist for the current year.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

25 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2020	Carrying amount			Level 1	Fair value		
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	Total
Financial Assets							
Current							
Investments	6,286.60	-	6,286.60	6,286.60	-	-	6,286.60
Trade receivables	-	937.82	937.82	-	-	-	-
Cash and cash equivalents	-	5,772.88	5,772.88	-	-	-	-
Bank balances other than above	-	63.36	63.36	-	-	-	-
Other Current Financial Assets	-	223.76	223.76	-	-	-	-
	6,286.60	6,997.82	13,284.42	6,286.60	-	-	6,286.60
Financial Liabilities							
Current							
Trade Payables	-	5,394.08	5,394.08	-	-	-	-
Other Current Financial Liabilities	-	986.25	986.25	-	-	-	-
	-	6,380.33	6,380.33	-	-	-	-

March 31, 2019	Carrying amount			Level 1	Fair value		
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	Total
Financial Assets							
Current							
Investments	5,748.07	-	5,748.07	5,748.07	-	-	5,748.07
Trade receivables	-	680.13	680.13	-	-	-	-
Cash and cash equivalents	-	1,891.38	1,891.38	-	-	-	-
Bank Balances other than above	-	50.00	50.00	-	-	-	-
Other Current Financial Assets	-	347.05	347.05	-	-	-	-
	5,748.07	2,968.56	8,716.63	5,748.07	-	-	5,748.07
Financial Liabilities							
Current							
Borrowings	-	3,359.38	3,359.38	-	3,359.38	-	3,359.38
Trade Payables	-	1,436.65	1,436.65	-	-	-	-
Other Current Financial Liabilities	-	121.20	121.20	-	-	-	-
	-	4,917.23	4,917.23	-	3,359.38	-	3,359.38

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

25 Financial instruments – Fair values and risk management (Continued)

b) Measurement of Fair Value

- (i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- (ii) The Company uses the Discounted Cash Flow valuation technique (in relation to borrowings measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

c) Risk Management Framework

The Company's Board of Directors have overall responsibility for establishment and oversight of the Company's risk management framework. The Company follows the Holding Company's risk management policies to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The management monitors compliance of risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The management is assisted in its oversight role by Holding Company's internal audit team. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the management.

d) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit Risk
- (ii) Liquidity Risk
- (iii) Market Risk.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

25 Financial instruments – Fair values and risk management (Continued)

d) Financial risk management (Continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

The Company's credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

There is no impairment in respect of trade receivables during the year.

Investment in Mutual Funds

Investments in mutual funds are generally made in debt based funds with approved credit ratings as per the Investment policy of the Company.

Cash and Bank balances

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

25 Financial instruments – Fair values and risk management (Continued)

d) Financial risk management (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date:

March 31, 2020	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Trade Payables	5,394.08	5,459.79	4,829.99	384.15	245.64	-
Other Current Financial Liabilities	986.25	986.25	986.25	-	-	-

March 31, 2019	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	3,359.38	3,359.38	3,359.38	-	-	-
Trade Payables	1,436.64	1,504.84	1,107.15	397.69	-	-
Other Current Financial Liabilities	121.20	121.20	121.20	-	-	-

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

25 Financial instruments – Fair values and risk management (Continued)

d) Financial risk management (Continued)

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency Risk

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

Particulars	March 31, 2020	March 31, 2019
Financial liabilities		
Fixed rate instruments	-	2,967.34
	-	2,967.34
Financial assets		
Fixed rate instruments	5,163.46	721.00
	5,163.46	721.00

c) Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

26 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'Net Debt to Equity'. For this purpose, net debt is defined as total borrowings (including interest accrued) less cash and bank balances and other current investments.

The Company's net debt to equity ratio is as follows:

Particulars	March 31, 2020	March 31, 2019
Net debt*	(12,122.84)	(4,330.07)
Total equity	10,836.16	9,857.07
Net debt to Equity ratio*	(1.12)	(0.44)

*the company has higher financial assets and hence negative debt as at March 31, 2020 and March 31, 2019.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

27 Ind AS 115 - Revenue from Contracts with Customers

- (a) The amount of INR Nil Lakhs (Previous Year : INR 70,211.97 Lakhs) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.
- (b) Significant changes in contract assets and contract liabilities balances are as follows:

Particulars	March 31, 2020	March 31, 2019
Contract asset		
At the beginning of the reporting period	1,766.57	-
Cumulative catch-up adjustments to revenue affecting contract asset	608.18	1,766.57
At the end of the reporting period	1,158.39	1,766.57
Contract liability		
At the beginning of the reporting period	10,079.68	86,898.53
Cumulative catch-up adjustments affecting contract liability	(9,175.44)	(62,929.24)
Significant financing component	(468.67)	(13,889.60)
At the end of the reporting period	435.57	10,079.68

- (c) Performance obligation

The Company engaged primarily in the business of real estate construction, development and other related activities.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, the Company has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company adjusts the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2020 is INR 1,429.32 lakhs (Previous Year: INR 12,066.89 lakhs). This will be recognised as revenue over a period of 1-2 years .

- (d) Reconciliation of revenue recognised in the Statement of Profit and Loss (Refer Tab Calculation (iii)) for calculation)

The following table discloses the reconciliation of amount of revenue recognised as at 31 March 2020:

Particulars	March 31, 2020	March 31, 2019
Contract price of the revenue recognised	17,813.50	74,727.36
Add: Significant financing component	571.39	18,107.10
Less: Customer incentive/benefits	33.65	-
Revenue recognised in the Statement of Profit and Loss	18,351.24	92,834.46

Godrej Landmark Redevelopers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

28 Related Party Disclosure

Related party disclosures as required by Ind AS-24, "Related Party Disclosures", are given below:

1. Relationships:

(i) Shareholders:

- Godrej Projects Development Limited (GPDL). GPDL is a subsidiary of Godrej Properties Limited (GPL). GPL is the Subsidiary of Godrej Industries Limited (GIL).
- ASK Real Estate Special Opportunities Fund (ASK RE SOF) (upto March 14, 2019)
- Mrs. Vanaja Devi (upto March 14, 2019)
- M/s. Texport Creation (upto March 14, 2019)

(ii) Other related parties in Godrej Group (related parties of co-venturer):

- Godrej & Boyce Manufacturing Company Limited
- Godrej Properties Limited
- Nature's Basket Limited (upto July 4, 2019)

(iii) Key Management Personnel :

- Amitesh Shah
- Roshan Sharda (upto March 14, 2019)
- Deepak Rathi (upto March 14, 2019)
- Amitava Mukherjee
- Amit Choudhury
- Aspy Cooper
- Namrata Mehra

II. The following transactions were carried out with the related parties in the ordinary course of the business :

(i) Details relating to parties referred to in items I (i), (ii), & (iii) above

Particulars	Godrej Properties Limited	Godrej Project Development Limited	Godrej & Boyce Manufacturing Company Ltd (G&B)	Natures Basket Limited	Amit Choudhury	Mr Aspy D Cooper	Total
Transactions during the Year							
Expenses charged by other Companies / Entities							
Current Year	-	234.89	37.12	0.40	-	-	272.41
Previous Year	0.01	199.80	297.91	0.39	-	-	498.11
Interest on Debenture							
Current Year	-	12.20	-	-	-	-	12.20
Previous Year	-	296.73	-	-	-	-	296.73
Sitting Fees							
Current Year	-	-	-	-	1.90	1.90	3.80
Previous Year	-	-	-	-	2.50	2.30	4.80
Redemption / Sale of Debenture							
Current Year	-	2,967.34	-	-	-	-	2,967.34
Previous Year	-	-	-	-	-	-	-
Balance Outstanding as on March 31, 2020							
Amount Payables							
As at March 31, 2020	-	-	156.36	-	-	-	156.36
As at March 31, 2019	0.00	249.75	123.14	0.39	-	-	373.28
Debenture Outstanding							
As at March 31, 2020	-	-	-	-	-	-	-
As at March 31, 2019	-	2,967.34	-	-	-	-	2,967.34
Debenture Interest Outstanding							
As at March 31, 2020	-	-	-	-	-	-	-
As at March 31, 2019	-	392.04	-	-	-	-	392.04

INR 0.00 represents amount less than INR 500

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

29 Contingent Liabilities and Commitments

a) Contingent Liabilities

Matters	March 31, 2020	March 31, 2019
I) Claims against Company not Acknowledged as debts:		
i) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	293.02	293.02
ii) Claims under Income Tax Act, Appeal preferred to The Commissioner of Income Tax (Appeals)	348.99	197.23
iii) Claims under GST, Appeal preferred to The Joint Commissioner of State Tax (Appeal)	172.06	-
II) Guarantees:		
i) Guarantees given by Bank, counter guaranteed by the Company	-	60.00

b) Commitments

(i) Particulars	March 31, 2020	March 31, 2019
Capital Commitment (includes for CWIP under Construction)	-	-

(ii) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

(iii) The Company has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

30 Payment to Auditors (net of taxes)

Particulars	March 31, 2020	March 31, 2019
Statutory Audit Fees	3.45	3.30
Certification	0.45	0.43
Reimbursement of Expenses	0.23	0.18
Total	4.13	3.91

Of the total audit fees, an amount of INR Nil (Previous Year : Rs. 3.84 lakhs) has been transferred to Construction work-in-progress.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

31 Corporate Social Responsibility

The Company has spent INR Nil during the year (Previous Year: INR 65.14 Lakhs) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

(a) Gross amount required to be spent by the Company during the year INR 1.25 Crore. (Previous Year: INR 65.14 lakhs)

(b) Amount spent during the year on :

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
Year ended March 31, 2020			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	-	-	-
Year ended March 31, 2019			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	59.20	5.94	65.14

32 Micro, Small and Medium enterprises :

Particulars	March 31, 2020	March 31, 2019
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	177.99	199.89
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(c) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the years ended and as at March 31, 2020 and March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

33 Segment Reporting

A. Basis of Segmentation

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Company has only one reportable segment namely, Development of real estate property. The Board of Directors of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Geographical Information

The geographic information analyses the Company's revenue and Non-Current Assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate property in India, it has only one reportable geographical segment.

C. Information about major customers

None of the customers for the year ended March 31, 2020 and March 31, 2019 constituted 10% or more of the total revenue of the Company.

34 Cash and Cash Equivalents and Bank Balances included balances in Escrow Account which were used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

35 The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information. As on current date, the Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Landmark Redevelopers Private Limited

CIN: U70102MH2012PTC228114

MANSI PARDIWALLA

Partner

Membership No: 108511

AMITESH SHAH

Director

DIN: 07921460

AMIT CHOUDHARY

Director

DIN: 00557547

Mumbai

May 8, 2020

Mumbai

May 8, 2020